

SBT e-file

Michigan Department of Treasury

Michigan Single Business Tax

e-file Specifications and

Software Developer Guide

2002

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SECTION 1 Introduction

1.1 General Information and Software Requirements

Thank you for your interest in the Michigan Department of Treasury's (Treasury) Single Business Tax Electronic Filing (SBT e-file) Program. This publication provides you with information on how you can participate as a software developer in the SBT e-file Program and with the file specifications to develop software.

The forms included in this publication are for illustration purposes only. They are included to help software developers understand field locations and should not be used as draft forms in designing software to print the Michigan forms.

The forms to be used for forms design or photocopying will continue to be distributed to software companies through Treasury's Forms and Print Management Section, and will be posted in a secure area on Treasury's Web site when they are available (approximately October 1).

Please note that most tax forms cannot be finalized until the Legislature has recessed the fall session. This generally occurs in mid-December. Until the Legislature adjourns, there may be law changes that would affect the SBT forms and require changes to the file specifications and test package.

Participation in the SBT e-file Program is voluntary. Treasury accepts application requests any time throughout the year.

The proposed software must:

- Compute the 2002 Michigan SBT forms and schedules, and pass the SBT testing process.
- Produce the Michigan SBT forms in both paper and electronic formats as specified by Treasury.
- Have the option to compress the file prior to transmission to Treasury, if transmission capability is part of the software package.
- Transmit returns in batches of 50 or less, following the file naming convention specified, if transmission capability is part of the software package. There is no limit to the number of batches that can be transmitted within a 24-hour period.
- Retrieve acknowledgments from Treasury and make available to the Electronic Return Originator (ERO) or transmitter.
- Include all Treasury test scenarios, which will be used by transmitters during the transmitter testing process.

Note:

Including the specified fields in the software for the federal return information is optional.

1.2 Treasury Contacts

For Software Developers and Transmitters Only

For help with the SBT e-file program, software developers and transmitters may contact the Alternative Filing staff between the hours of 8:00 a.m. and 5:00 p.m., EST, Monday through Friday, except state holidays. When leaving a phone message, give as much detail as possible so that Treasury staff can research your question and have the answer ready when they call you back. Speak clearly and spell any difficult names.

This contact information is **for software developers and transmitters only** and enables Treasury to provide better service to the SBT e-file program participants.

Phone:	(517) 636-4450 (517) 636-4999 (TTY Only)
Fax:	(517) 636-4444
Email:	MIefile2D@michigan.gov Include the words "SBT e-file" in the subject line.
Mailing Address:	Alternative Filing Programs Michigan Department of Treasury P. O. Box 30058 Lansing, Michigan 48909

You may also visit our Web site at www.michigan.gov/treasury and look under the Business Category for more information.

For Taxpayers

Please provide **taxpayers** with the following phone number if they need to contact Treasury regarding their SBT returns:

SBT Customer Contact	(517) 636-4700
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Internet

Taxpayers can now access the Department of Treasury Web site to:

- *Check the date Treasury is currently processing returns*
- *Ask Treasury a question*
- *Request copies of returns filed*
- *Check the status of a Single Business Tax return*
- *Verify all Single Business Tax payments for current period*

Visit this site at www.michigan.gov/bustax to access these service options.

1.3 Highlights and Important Information for Tax Year 2002

- Registration changes (name, address, phone number, filing date, discontinuance date, etc.) must be made by calling (517) 636-4660 or submitting form 163, Notice of Change or Discontinuance which is available on our Web site at http://www.michigan.gov/documents/163f_2885_7.pdf
- Taxpayers who choose SBT e-file will not receive Single Business Tax instruction books next year. Instead, they will receive reminder postcards encouraging them to again choose e-file to submit their SBT returns.
- The tax rate for the calendar year ending 2002 is 1.9%. It is possible the rate may be reduced to 1.8% for 2003. The 2003 rate should be available no later than December 1, 2002.

1.4 Key Dates

Deadline for Submitting SBT e-file New Application (Profile)	None
Begin Software Testing	November 2002
Begin Transmitter Testing	November 2002
Begin Transmitting Live Returns	January 2003
Deadline for Submitting Initial Test File	October 9, 2003
Software Testing Ends	October 15, 2003
SBT e-file unavailable due to system maintenance	January 1-31, 2004

1.5 SBT e-file Publications

3919	SBT e-file Specifications and Software Developer Guide
3920	SBT e-file Test Package for Software Developers
3921	SBT e-file Transmitters' Handbook

1.6 State of Michigan Holiday Schedule

September 2, 2002	Labor Day
November 11, 2002	Veterans' Day
November 28-29, 2002	Thanksgiving
December 24-25, 2002	Christmas
December 31, 2002	New Year's Eve
January 1, 2003	New Year's Day
January 20, 2003	Martin Luther King Jr.'s Birthday Observed
February 17, 2003	Presidents' Day
May 26, 2003	Memorial Day
July 4, 2003	Independence Day
<i>September 1, 2003</i>	<i>Labor Day</i>
<i>November 11, 2003</i>	<i>Veterans' Day</i>
<i>November 27-28, 2003</i>	<i>Thanksgiving</i>
<i>December 24-25, 2003</i>	<i>Christmas</i>
<i>December 31, 2003</i>	<i>New Year's Eve</i>

1.7 Program Compliance

Treasury will ensure transmissions are in compliance with the requirements outlined in this publication and the SBT e-file Transmitters' Handbook.

If after acceptance, a software developer has production problems, Treasury reserves the right to suspend that software developer until the problems are resolved to Treasury's satisfaction.

SECTION 2 SBT e-filing Program

2.1 General Information

The Michigan SBT e-file Program was developed to provide Michigan taxpayers with the opportunity to use Internet technology to file Single Business Tax Returns.

The following 2002 forms are eligible for SBT e-file:

C-8000	SBT Annual Return not requiring payment
C-8000C	SBT Credit for Small Businesses and Contribution Credits
C-8000D	SBT Recapture of Capital Acquisition Deduction
C-8000G	SBT Statutory Exemption/Business Income Averaging
C-8000H	SBT Apportionment Formula
C-8000ITC	SBT Investment Tax Credit
C-8000KC	SBT Schedule of Shareholders and Officers
C-8000KP	SBT Schedule of Partners
C-8000S	SBT Reductions to Adjusted Tax Base
C-8009	SBT Allocation of Statutory Exemption, Standard Small Business Credit, and Alternate Tax for Members of Controlled Groups
C-8010AGR	SBT Adjusted Gross Receipts for Controlled Groups
C-8020	SBT Penalty and Interest Computation for Underpaid Estimated Tax
C-8030	SBT Notice of No SBT Return Required
C-8043	SBT Statutory Exemption Schedule
C-8044	SBT Simplified Return not requiring payment
3307	SBT Loss Adjustment Worksheet for the Small Business Credit

Information from the following 2002 federal forms may be included when filing the C-8000, C-8044 or C-8030:

U.S. 1120 and Schedules A and E (Corporations)
 U.S. 1120A (Corporations)
 U.S. 1120S and Schedules A, D and K (S-Corporations)
 U.S. 1040 and Schedules C, D and E (Individuals)
 U.S. 1065 and Schedules A and K (Partnerships)
 U.S. 1041and Schedule D (Fiduciaries)
 U.S. 4797, Sales of Business Property
 8825, Rental Real Estate Income and Expenses of a Partnership
 or S Corporation

SBT e-file is not available to taxpayers that file the following forms or meet the following conditions:

Taxpayer has not previously filed a paper SBT return with Treasury.

1-22-03

C-8000	SBT Annual Return requiring payment*
C-8022	<i>SBT Farmland Preservation Tax Credit</i>
C-8044	SBT Simplified Return requiring payment*
C-8000X	SBT Amended Return
C-8044X	SBT Amended Simplified Return
C-8000MC	SBT Miscellaneous Credits
4	Application For Extension For Time To File Michigan Income Tax Returns
1366	Insurance Company Annual Return for SBT and Retaliatory Tax

*Our goal is to accept SBT returns requiring payment in 2004.

2.2 Signature Alternative

Returns will be signed using an electronic signature composed of shared secrets as follows:

- Business FEIN
- Treasury-assigned Customer Service Number (CSN)
- Gross receipts or adjusted gross receipts from the most recently filed original SBT return

Treasury will provide all active SBT taxpayers who have filed form C-8000, C-8030* or C-8044 in the last two years with their Customer Service Number (CSN) in time to file their SBT return(s) in January 2003.

*Filed by registered taxpayers.

2.3 Definitions

Electronic Return Originator (ERO) or Preparer

An ERO is the person or firm that constructs the return information for the taxpayer for the purpose of electronically filing a tax return.

Transmitter

A transmitter is the business or individual that submits the electronic return data to Treasury. Software developers, tax preparers, businesses and individual taxpayers can all be transmitters. To be a transmitter you must:

- Submit an SBT e-file New Application (Profile) request to Treasury;
- Pass the Treasury qualifications review and be accepted.

2.4 Record Retention

Copies of all materials furnished to or by the taxpayer shall be retained by the ERO for *the statutory period*. In addition, the ERO must be able to provide to the taxpayer or Treasury, upon request, a printed copy of any filing made through the ERO.

SECTION 3 SBT e-file Application (Profile)

3.1 General Information

All organizations or individuals interested in participating as a software developer must submit an SBT e-file New Application (Profile) request to Treasury. To complete the application process, please visit our Web site at www.michigan.gov/treasury under the Business Category. Applications are processed within 1-2 business days. An acceptance letter will be mailed within one (1) week. Applications may be submitted at any time throughout the year.

In future years, **continuing participants** who have been previously accepted by Michigan do not need to resubmit an application. If there is a change in the information on file, participants should submit the updated information by using the Update Profile screen on the secure Web site.

Failure to apply may preclude software developers from participating in the program.

Note:

If the Web Server is down, you will not be able to access the SBT e-file program.

3.2 User Code and Password Assignments

Treasury will assign the software developer a user code and password to e-file SBT return(s). This information will be provided in the acceptance letter and must be used when transmitting tax return information. It is the responsibility of the software developer to keep this information secure.

SECTION 4 Acknowledgment System

4.1 General Information

Treasury will provide two types of acknowledgments. The first is a confirmation that the file transmission was successful. This confirmation is issued almost immediately after the transmission is complete. The second is an acknowledgment for each individual return record included in the file. This acknowledgment is available within 1-2 business days after successful transmission of a file.

Please refer to Section 5 of the Michigan Single Business Tax Transmitters' e-file Handbook for more information on the acknowledgment system.

SECTION 5 File Specifications (Schema)

The schema and accompanying forms are published as separate items on Treasury's Web site.